



South Bend

Redevelopment Commission

227 West Jefferson Boulevard, Room 1308, South Bend, Indiana

Agenda

Regular Meeting, May 26, 2016, 9:30 a.m.

1. Roll Call

2. Approval of Minutes

A. Minutes of the Regular Meeting of Thursday, May 12, 2016

3. Approval of Claims

A. Claims Submitted May 26, 2016

4. Old Business

5. New Business

A. River West Development Area

(1) Agreement for Access Easement with 1011 LLC

(2) Second Amendment Development Agreement Hall of Fame

(3) Request to Pay Weaver Consultants Group - Ivy Tower

(4) Request to Establish Budget For "Coal Line" Engineering Services

6. Progress Reports

A. Tax Abatement

B. Common Council



C. Other

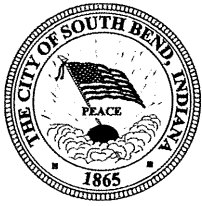
7. Next Commission Meeting:

Thursday, June 16, 2016, 9:30 a.m.

8. Adjournment

NOTICE FOR HEARING AND SIGHT IMPAIRED PERSONS

Auxiliary Aid or Other Services are Available upon Request at No Charge.
Please Give Reasonable Advance Request when Possible.



South Bend

Redevelopment Commission

227 West Jefferson Boulevard, Room 1308, South Bend, Indiana

Item: 2:A

SOUTH BEND REDEVELOPMENT COMMISSION REGULAR MEETING

May 12, 2016

9:30 a.m.

Presiding: Marcia Jones, President

227 West Jefferson Boulevard
South Bend, Indiana

The meeting was called to order at 9:32 a.m.

1. ROLL CALL

| | |
|----------------------|---|
| Members Present: | Marcia Jones, President Dave Varner, Vice President Don Inks, Secretary Gavin Ferlic, Commissioner Greg Downes, Commissioner |
| Members Absent: | John Anella |
| Legal Counsel: | Benjamin Dougherty, Esq. |
| Redevelopment Staff: | David Relos, Associate Mary Brazinsky, Recording Secretary |
| Others Present: | Aaron Kobb, Director, Economic Resources Sarah Heintzelman, Associate III Conrad Damain Paul Phair Wills Gardner Kevin Allen Mark Peterson Eric Walton |

2. APPROVAL OF MINUTES

A. Approval of Minutes of the Regular Meeting of Thursday, April 28, 2016

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 4-0, the Commission approved the minutes of the regular meeting of Thursday, April 28, 2016.

3. APPROVAL OF CLAIMS

A. Claims Submitted May 12, 2016

| | Claims submitted | Explanation of Project |
|---|---------------------|---|
| REDEVELOPMENT COMMISSION Redevelopment Commission Claims May 12, 2016 for approval | | |
| <u>324 RIVER WEST DEVELOPMENT AREA</u> | | |
| Acorn Landscaping LLC | 18,923.00 | Landscaping Work Performed at the MTI |
| Pacific Press Technologies | 85,484.96 | Equipment Purchase Nello Corporation |
| H. J. Umbaugh & Associates | 8,312.50 | Financial Advisory Services |
| DHA | 6,640.00 | Alta Survey / Preparation of Alley Vacation Documents |
| Kolata Enterprises LLC | 2,317.50 | Professional Services |
| <u>430 FUND SOUTH SIDE TIF AREA #1</u> | | |
| Southgate Church | 16,900.00 | Fee Simple & Temporary Easement |
| Palmer's Funeral Home | 113,189.75 | Fee Simple & Temporary Easement |
| KR Palmer & Kerry R Palmer | 50,335.25 | Fee Simple & Temporary Easement |
| Sandra J. case | 540.00 | Relocation /entitlement |
| d | 117,234.06 | Ireland Rd & High St Intersection Improvements |
| Rieth Riley Construction Co. Inc. | 120,175.00 | One Way to Two Way Street Conversion Division A |
| Lawson-Fisher Associates P.C. | 3,039.60 | Roundabout Intersection Improvements |
| | \$ 543,091.62 | |

Total Of Both Columns

Upon a motion by Secretary Inks, seconded by Commissioner Ferlic the motion carried 4-0, the Commission approved the Claims submitted May 12, 2016.

4. Old Business

None.

5. New Business

A. River West Development Area

(1) Request for Proposals to Purchase Lots in Blackthorn Corporate Park

Mr. Relos presented a Request for Proposals to Purchase Lots in Blackthorn Corporate Park. Last October the idea of a call for offers was discussed at the Blackthorn Owners Association meeting and Redevelopment Commission. The RFP has been finalized with eleven (11) lots. The RFP lots are in the corporate park not the light industrial zoned lots on the west side of Moreau and north of Nimtz. The request for proposals will be sent to local developers and they are currently on Loopnet.

Submissions will be due to Community Investment by June 10, 2016. The following will need to be submitted with developer proposals; Identify each person or entity involved in the acquisition, statement of qualifications, real estate achievements, financial terms for the acquisition and a narrative of intended use including the size, placement and cost of proposed buildings with other improvements plus the number of new jobs to be created. We are looking to see what developers can do in the near future and how they intend to market the lots they do not have an immediate use for. We are asking the developers to provide an explanation of their marketing plans for selling the lots. Built into the RFP is evaluation criteria to be used to rank submittals, and staff will return to the Redevelopment Commission with a suggested plan.

Mr. Varner asked if there are building restrictions at Blackthorn. Mr. Relos replied that there are covenants and guidelines which the developer would have to follow and with the proposal they would need to sign the standard city non-collusion form. Mr. Varner asked if we're being too restrictive in our writing and what the gain would be by asking for all the proposals in regards to the future. Mr. Relos stated we are looking for proposed immediate uses for the lots and how they plan to market them. Each developer's proposal will be evaluated based on immediate usage plans. Mr. Varner asked if we are restricting our options. Mr. Relos stated that there are guidelines in place. If an entity wants to build at Blackthorn they will have to use certain building materials and meet landscaping guidelines. We will require the developer to submit X, Y and Z, however, we are leaving their options open for plan disclosure. Mr. Varner asked the value of the parcels. Mr. Relos estimated \$55,000 to \$65,000 per acre. A number of the lots are two to three hundred thousand dollars per vacant lot. Mr. Varner inquired if Cressy was free to entertain offers when they were handling the properties. Mr. Relos affirmed that Cressy could have entertained offers. The Cressy agreement was an asking price for the per acre site with a split of Cressy 75%/25% City. They could have entertained less of a rate and they did with DaVita. Mr. Varner cited the normal commercial rate is 10%; why did we agree to 25%? Mr. Relos indicated in 2008 Cressy was looking at comparable corporate parks and per acreage pricing; the 25% was based on that.

Mr. Downes acknowledged that he had attended all of the Owners Association meetings and that there have been extensive conversations regarding this. He stated that last year we bifurcated the park itself which gave us two sections to enhance marketability. Secondly, we relaxed some of the covenants and design guidelines to make it more flexible in terms of development. That had the full approval of all of the owners. The driving factor of the RFP is for one developer to control all aspects at one time and come up with a master plan. Whether or not we will receive responses remains to be seen, however, we can't keep doing the same thing for years and expect different results. Mr. Downes was contacted by the property manager Pat Brown. Mr. Brown urges us to make sure he receives a copy, of the RFP along with copies of the current by-laws, the covenants and design guidelines. There are marketing materials out there from Cressy which could be used. This material should be included when the RFP is sent out including copies to

Pat Brown, John Cook, President of the Owners Association and Bill Panzica the Vice President.

Mr. Relos affirmed there have been changes in the past to the covenants. In the past we had a set location for a hotel site. The current covenants allow a hotel use on any lot; the same holds true for free standing restaurants, not drive-thrus. We are looking for one developer that has extensive expertise in marketing and developing these sites.

Upon a motion by Commissioner Downes, seconded by Commissioner Ferlic the motion carried 4-0, the Commission approved the requested Request for Proposals to Purchase Lots in Blackthorn Corporate Park including the documents that Commissioner Downes requested submitted May 12, 2016.

(2) Agreement to Buy and Sell Real Estate (Oliver Plow Partners, L.P.)

Ms. Heintzelman presented the Agreement to Buy and Sell Real Estate with Oliver Plow Partners L.P. and for a lot in Oliver Plow. Ms. Heintzelman stated that Oliver Plow Partners L.P. is an Indiana limited partnership, and is an affiliate of Holladay Properties, which are looking to purchase the parcel that is currently adjacent to ABC supply. The parcel is 3.2 acres and will enable ABC Supply to expand their outside storage, which provides them with much needed space to grow their current operations. Staff requests approval to Buy and Sell Real Estate with Oliver Plow Partners, L.P. to continue to growth of their operations for the purchase price of thirty thousand dollars (\$30,000).

Mr. Varner inquired about the anticipated time line. Mr. Phair representing Oliver Plow Partners, L.P. states as quickly as possible. They have sixty (60) days of due diligence in which they will be taking surveys and doing environmental work. Once that is complete the hope is to hit the ground running. Mr. Varner inquired about the indemnification; are there any environmental issues or are you not expecting any. Mr. Phair expressed that there is additional testing that the City will be conducting while they are under due diligence. Mr. Relos commented that there was rubble found from the demolition of the prior buildings, and that the property is in the Voluntary Remediation Program at Oliver Plow which allows us to monitor the wells and injection sites for the ground water. There are areas of soil that need to be excavated and removed which is expected to be completed prior to the closing. Mr. Phair explained that the major concern on cost is running into physical debris or old foundations from the former demolition; that is shifted onto the buyer. Until the digging starts, it will be hard to tell what is underneath. Mr. Relos commented that they only anticipate rubble.

Upon a motion by Vice President Varner, seconded by Commissioner Inks the motion carried 4-0, the Commission approved the Agreement to Buy and Sell Real Estate (Oliver Plow Partners, L.P.) at the purchase price of thirty thousand dollars (\$30,000) submitted May 12, 2016.

6. Progress Reports

A. Tax Abatement

Mr. Kobb stated that we have one confirming. Appletree Associates, two year vacant and three jobs for a total of three hundred thousand dollar (\$300,000) investment.

B. Common Council

C. Other

7. Next Commission Meeting:

Thursday, May 26, 2016, 9:30 a.m.

8. Adjournment

Thursday, May 12, 2016, 9:48 a.m.



Aaron Kobb, Director of Economic Resources

Marcia I. Jones, President

Item: 3:A

Claims submitted

Explanation of Project

Redevelopment Commission Claims submitted May 26, 2016 for approval

324 RIVER WEST DEVELOPMENT AREA

| | | |
|---------------------------------|------------|---|
| Arnt | 12,830.00 | MTI Parking Lot Repairs |
| DHA | 4,405.00 | Ignition Pk |
| Hull & Associates Inc. | 3,733.38 | General Consulting / Assessment & Remediation at Oliver Industrial Pk |
| Majority Builders, Inc. | 45,773.13 | Ignition Pk Infrastructure Ph. IC, Division B |
| Newmark Grubb Cressy & Everett | 25,000.00 | Blackthorn Corp Park (Lot 6) |
| Peddinghaus Corporation | 544,078.00 | Equipment purchase |
| Overhead | 9,550.00 | Reinstall Existing Canopy Manufacturing Technology |
| Permadur Industries Inc./Sissco | 42,975.26 | Equipment purchase |
| IDEM | 2,943.75 | Remediation Agreement |
| Symbiont | 2,742.63 | Brownfields Site Assessment Grant |

422 FUND WEST WASHINGTON DEVELOPMENT TIF

| | | |
|----------------------|----------|---------------------------|
| Lehman & Lehman Inc. | 1,350.00 | City Cemetery Master Plan |
|----------------------|----------|---------------------------|

429 FUND RIVER EAST DEVELOPMENT TIF

| | | |
|--------------|-----------|--|
| S/T Bancroft | 32,313.85 | |
|--------------|-----------|--|

Subtotal by Column

\$727,695.00

ACCESS EASEMENT AGREEMENT

This Access Easement Agreement (this “Easement”) is made and entered into as of May 26, 2016 (the “Effective Date”), by and between the South Bend Redevelopment Commission, governing body of the City of South Bend Department of Redevelopment (the “Commission”), and 1011 LLC, an Indiana limited liability company with its registered office at 1011 S. Main St., South Bend, Indiana 46544 (the “Company”).

RECITALS

A. Commission owns in fee simple certain real property located within the River West Development Area of the City of South Bend, Indiana (the “City”), as described and approximately depicted in attached **Exhibit A** (the “Easement Parcel”).

B. Company owns in fee simple the real property described in attached **Exhibit B** (the “Company Parcel”), which abuts the Easement Parcel along the Easement Parcel’s eastern boundary.

C. Company desires to obtain from Commission an easement for access over the Easement Parcel to the Company Parcel, and Commission has agreed to grant the same on the terms and conditions stated in this Easement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Commission and Company, agree as follows:

1. **Grant of Easement to Company.** Commission hereby grants to Company a non-exclusive, temporary easement for the following limited purposes: (a) for vehicular ingress and egress over and across the Easement Parcel to and from the Company Parcel by Company and its agents, contractors, employees, and tenants; and (b) for Company’s installation, use, and maintenance of a crushed gravel driveway and a concrete curb cut and approach in the public right-of-way and/or on the Easement Parcel (the “Permitted Improvements”) for vehicular access from the Company Parcel over the Easement Parcel and onto Lafayette Boulevard, provided that the City has first approved Company’s plans for installing any such elements. The parties agree that Company will have no right under this Easement to install improvements of any kind on the Easement Parcel other than those specifically permitted in the preceding sentence.

2. **Termination.** Commission may terminate this Easement at any time with or without cause by giving Company written notice of termination.

3. **Maintenance; Restoration.** Company will, at its sole expense, maintain and repair the Easement Parcel and any Permitted Improvements made by Company upon or abutting the Easement Parcel (including in the public right-of-way along Lafayette Boulevard) in accordance

with its rights under Section 1 above. In the event Company disturbs or damages any part of the Easement Parcel or the public right-of-way along Lafayette Boulevard in the course of installing the Permitted Improvements, Company will promptly restore such areas to substantially the same condition that existed immediately prior to such installation. In addition, within sixty (60) days after receiving a notice of termination from Commission in accordance with Section 2 above, Company, at its sole expense, will (a) remove any and all Permitted Improvements installed by the Company, (b) restore the Easement Parcel to its condition that existed on the Effective Date of this Agreement, and (c) restore the sidewalk and curb along Lafayette Boulevard to the same condition that existed before Company's installation of the curb cut and approach. Company agrees to complete all of the foregoing restoration work to the City's satisfaction, as determined in the City's sole and absolute discretion. In the event Company fails to preserve the Easement Parcel or the Permitted Improvements at all times in good condition and repair, Commission or the City may, at its option, incur costs and expenses to maintain and repair the Easement Parcel or the Permitted Improvements, which costs and expenses Company will pay promptly upon the written demand of Commission or the City, as the case may be.

4. Clear Path of Travel. Commission and Commission's agents and employees will place no permanent structures in, on, or over the Easement Parcel that will obstruct or interfere with the Company's use of the Easement without Company's prior consent.

5. Ownership. Commission represents and warrants that it is lawfully seized of the Easement Parcel, that it has full right and power to grant the Easement, and that the Easement Parcel is free from all encumbrances, except any matters of record.

6. Hazardous Materials. The Company shall not cause or permit, knowingly or unknowingly, any hazardous material to be brought or remain upon, kept, used, discharged, leaked, or emitted upon the Easement Parcel or the Permitted Improvements.

7. Indemnification; Insurance. Company shall indemnify and hold Commission harmless from and against any and all claims resulting from damage to any property upon the Easement Parcel or injury to any person upon the Easement Parcel or the Permitted Improvements. In addition, Company will maintain commercial general liability insurance coverage in the minimum amount of at least \$5,000,000 per occurrence and will designate the Commission and the City as additional insureds under any such policy of insurance. Promptly following the Effective Date of this Easement, Company will produce to Commission a certificate of insurance evidencing the same.

8. Reservation of Rights. Commission reserves for itself the free use of the Easement Parcel in any manner not inconsistent with the terms of this Easement.

9. Covenant Running with the Land. Commission and Company intend that each of the rights and obligations set forth herein shall run with the land and create equitable servitudes burdening the Easement Parcel and benefitting the Company Parcel, shall bind every person having any fee, leasehold, or other interest therein, and shall inure to the burden or benefit of the respective parties and their successors, assigns, heirs, and personal representatives.

10. Recording. This Easement, as well as any instrument releasing or terminating the Easement, shall be duly recorded in the Office of the Recorder of St. Joseph County, Indiana, and all recording fees will be paid by Company.

11. Governing Law. This Easement shall be governed and construed in accordance with the laws of the State of Indiana.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have signed this Access Easement Agreement to be effective as of the Effective Date.

SOUTH BEND REDEVELOPMENT
COMMISSION

Marcia I. Jones, President

ATTEST

Donald E. Inks, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF ST. JOSEPH)

Before me, a Notary Public in and for said County and State, personally appeared Marcia I. Jones and Donald E. Inks, President and Secretary, respectively, of the South Bend Redevelopment Commission, and acknowledged the execution of the foregoing Access Easement Agreement.

WITNESS my hand and seal this ____ day of ____, 2016.

My Commission Expires:

Notary Public

(Printed Name)

Resident of _____ County, Indiana

EXHIBIT A

Description of Easement Parcel

A parcel of real property located in the City of South Bend, Indiana, and commonly known as 920 Lafayette Boulevard [Parcel Key Number 018-8001-0006]

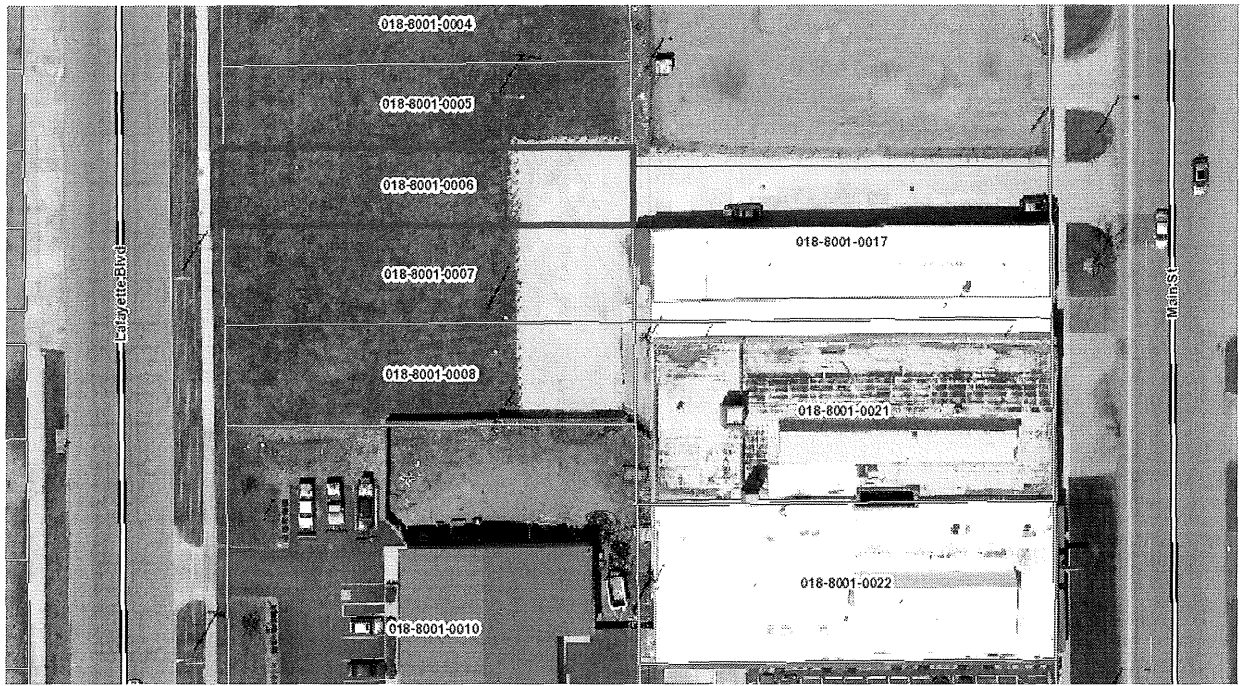


EXHIBIT B

Description of Company Parcel

A parcel of real property located in the City of South Bend, Indiana, and commonly known as 921-1011 Main Street [Parcel Key Numbers 018-8001-0017, 018-8001-0021, and 018-8001-0022]




Department of

Community Investment

Item: 5:A:3

Memorandum

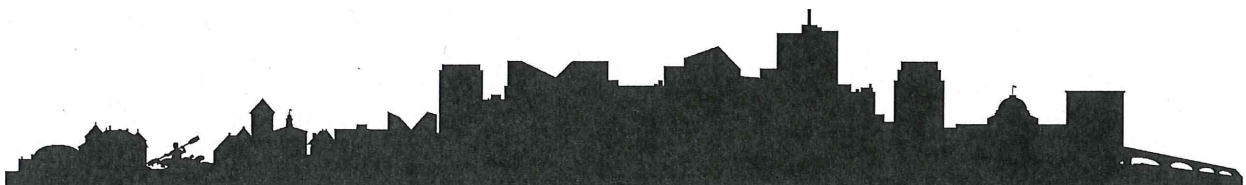
May 23, 2016

TO: Redevelopment Commission
FROM: Chris Dressel, Staff 
SUBJECT: Request to Pay Weaver Consultants Group – Ivy Tower

Staff is seeking authorization to pay Weaver Consultants Group (formerly known as Weaver Boos) for environmental consulting work completed at Ivy Tower in the amount of \$11,918.25 for work completed between December 2015 and March 2016. These funds are requested from the River West TIF and exceed the \$40,000 established in latest contract from October 2015.

Staff anticipates future remediation work on the larger renaissance district campus but with work complete on the existing structures. This payment would permit us to be current and future funding requests would be in the form of a new contractual agreement.

If you should have any questions or are in need of more information, please feel free to contact me at either cdressel@southbendin.gov or 235-5847.





Department of
Community Investment

Memorandum

May 23, 2016

TO: Redevelopment Commission
FROM: Chris Dressel, Staff ^{CD}
SUBJECT: Request to Establish Budget For "Coal Line" Engineering Services

Staff requests approval of \$750,000 (\$625,855 + 20% contingency) from the River West TIF to establish a budget towards engineering services for the "Coal Line".

The City of South Bend through its Board of Public Works has contracted with United Consulting out of Indianapolis to complete the necessary engineering work for Phase I and Phase II. See attached map for details. The work is expected to include:

- Design for multiuse trail that connects into both Riverside and East Bank Trails
- Necessary property acquisition for trail corridor
- Landscape architecture

The project is programmed with federal funds with construction of both phases anticipated for completion by 2020. The CMAQ (Congestion, Mitigation, and Air Quality) funds will reimburse the City of South Bend for 80% of funding for the initial contract and federally approved cost increases beyond that amount.

If you should have any questions or are in need of more information, please feel free to contact me at either cdressel@southbendin.gov or 235-5847.

